
State of California

Office of the State Chief Information Officer

Information Technology Capital Plan

Preparation Instructions

June 2008

(SIMM Section 57)

INTRODUCTION TO THE INFORMATION TECHNOLOGY CAPITAL PLAN

1) Overview

These instructions for the Five-Year Information Technology (IT) Capital Plan have been prepared to assist State of California Agencies¹ in providing information to the Office of the State Chief Information Officer (OCIO), the Department of Finance (Finance), and the Office of Information Security and Privacy Protection (OISPP). The IT Capital Plans will be utilized to:

- Ensure that IT investments drive program efficiency and effectiveness and improve the quality of government services for Californians.
- Facilitate improvements in internal business processes and financial management through IT investments.
- Link IT investments to state and agency priorities and business direction.
- Promote the alignment of IT investments with the Agency's enterprise architecture (Technology, Standards, and Infrastructure).
- Enhance and promote enterprise data sharing through IT investments.
- Facilitate consideration and conceptual approval to pursue selected IT investments.

Ultimately, the IT Capital Plans developed by the state agencies will be the basis of the Statewide IT Capital Plan. The Statewide IT Capital Plan will represent the Administration's plan for strategic IT investments and will be supported by the Governor's Budget, the OCIO's IT Strategic Plan, Budget Change Proposals, and Feasibility Study Reports. The requirements for preparing and submitting Five-Year IT Capital Plans are described in the State Administrative Manual (SAM) Section 4904.

2) Content

The IT Capital Plan is comprised of two distinct elements:

- **Agency IT Capital Plan** – The Agency IT Capital Plan is a summary plan that prioritizes constituent-departments' proposed IT investments. The Agency IT Capital Plan also identifies Agencies' efforts to coordinate Strategic Planning, Enterprise Architecture, Portfolio Management, Project Management, IT Governance, Workforce Development, and Workforce and Succession Planning among their constituent-departments.
- **Department IT Capital Plan** – The Department IT Capital Plan identifies departments' proposed IT investments, their business goals and objectives, IT infrastructure replacement plans, and summary information concerning existing approved reportable projects. The Department IT Capital Plan also includes supplemental information concerning: Enterprise Architecture; Information Security; Workforce Development, Workforce Planning, and Succession Planning; and Portfolio Management, Project Management, and IT Governance.

¹ When capitalized, the term "Agency" refers to one of the state's super agencies such as the State and Consumer Services Agency or the Health and Human Services Agency. When used in lower case, the term "agency" refers to any office, department, board, bureau, commission or other organizational entity within state government. Within this SIMM Section, "agency" and "department" are used interchangeably.

Agencies should look for common or similar activities proposed or underway, identifying opportunities to leverage proposed activities across their organizations. In addition, Agencies should review their organization's strategic plan and Enterprise Architecture prior to developing the IT Capital Plan and identify those IT project proposals that best support the organization's strategic plan and Enterprise Architecture. Only IT projects (existing and proposed) that meet the definition of a reportable project as defined in SAM Section 4819.37 should be included in the IT Capital Plan.

3) Preparation Process

The process for completing and submitting the IT Capital Plans is different depending on whether the IT Capital Plans are prepared by an Agency and their constituent-departments or by entities that do not report to an Agency Secretary such as Constitutional Offices, the California State Library, or the Student Aid Commission.

a) Agencies and Constituent-Departments

Agencies will collect IT Capital Plan information submitted by their constituent-departments, prepare the Agency IT Capital Plan, and transmit the plan package to the OCIO and Finance. Specifically:

- Agencies will provide direction to their constituent-departments regarding completion instructions and timelines for the submission of the department IT Capital Plans to their Agency. Agencies should allow sufficient time to complete this process in order to meet the required submission date to the OCIO.
- Constituent-departments will prepare the Department IT Capital Plan and return it to their Agency. Agencies will coordinate discussion among departments to ensure there is consistency in IT Capital Plan preparation activities. Agencies will also look for opportunities to eliminate overlap or duplication of projects or other automation efforts within their Agency, across Agencies, and with other entities to reflect a consolidated approach and an enterprise-wide view in the IT Capital Plan preparation process.

Note: Agencies (i.e., "state super agencies") that are considering IT project proposals within their Agency (i.e., not through one of their constituent-departments), or that cross multiple Agencies also must complete the Department IT Capital Plan.

- Agencies will review and consolidate their constituent-department IT Capital Plans into the Agency IT Capital Plan, and will determine the priority of each proposed IT project included in the Agency IT Capital Plan.

The Agency IT Capital Plan must read as a single, coordinated, enterprise-wide plan rather than separate (or individual) plans under a single cover sheet.

- Agencies will submit the IT Capital Plan package to the OCIO and Finance. The IT Capital Plan package will consist of the following:
 - The signed Agency IT Capital Plan Transmittal and the completed IT Capital Plan responses, including the Summary of Agency-Approved Proposed IT Projects;
 - The signed Department IT Capital Plan Transmittals, and completed IT Capital Plan responses, including all appendices, sorted by constituent-departments.

b) Other Entities

Constitutional Offices and entities that do not report to an Agency Secretary, such as the California State Library and the Student Aid Commission, will prepare the Department IT Capital Plan and transmit the plan package to the OCIO and Finance. Specifically:

- Departments will distribute the Department IT Capital Plan and completion instructions to appropriate management and staff. Departments will coordinate discussion among management and staff to ensure there is consistency in IT Capital Plan preparation activities. Departments will also look for opportunities to eliminate any overlap or duplication of projects or other automation efforts to reflect a consolidated approach and an enterprise-wide view in the IT Capital Plan preparation process.
- Departments should look for common or similar activities proposed or underway, identifying opportunities to leverage proposed activities across the department, and with Agencies and with other entities.
- Departments will review the department proposed IT projects and identify the IT project proposals to include in the Department IT Capital Plan. Departments will also determine the priority of each proposed IT project included in the IT Capital Plan.
- Departments will submit the IT Capital Plan package to the OCIO and Finance. The IT Capital Plan package will consist of the signed Department IT Capital Plan Transmittal, completed IT Capital Plan responses, and all appendices.

4) Instructions for Completing the Department and Agency IT Capital Plan Forms

In addition to the process previously described, the following instructions are to be used in completing the forms that comprise the Department IT Capital Plan and the Agency IT Capital Plan.

a) Agency IT Capital Plan

Executive Approval Transmittal – Enter the Agency Name and complete the signature block information for the Agency's Information Officer and Agency Secretary in the appropriate areas of the transmittal. The transmittal must be signed prior to submission to the OCIO and Finance.

IT Capital Plan Questionnaire, Agency Name and Organization Code – Provide the name of the Agency and its organization code. The Plan Year field has been pre-filled with the five-year period of the IT Capital Plan.

- 1. Department Names and Organization Codes** – Provide the name of each constituent-department in the department column of the table; provide the corresponding organization code in the organization code column of the table.
- 2. Agency Coordination Efforts**
 - 2.1. Strategic Planning** – Provide a brief overview of the Agency's coordination activities among constituent-departments regarding strategic planning.
 - 2.2. Enterprise Architecture** – Provide a brief overview of the Agency's coordination activities among constituent-departments regarding Enterprise Architecture.

- 2.3. Portfolio Management, Project management, and IT Governance** – Provide a brief overview of the Agency's coordination activities among constituent-departments regarding portfolio management, project management, and IT governance.
- 2.4. Workforce Development** – Provide a brief overview of the Agency's coordination activities among constituent-departments regarding workforce development.
- Workforce Development is defined as the efforts to create and continuously optimize the talent resources needed to execute business strategies. Examples include training, career assessment, mentoring, individual development plans, upward mobility plans, and on-the-job learning.
- 2.5. Workforce Planning and Succession Planning** – Provide a brief overview of any coordination activities among constituent-departments undertaken by the Agency regarding workforce planning and succession planning.
- Workforce Planning and Succession Planning entail creating a talent pool of qualified candidates from which to hire. Succession planning is a subset of workforce planning that focuses on ensuring that organizations have the right leadership in place.
- 3. Agency Enterprise Architecture** – Provide a brief description of the status of the organization's implementation of a formal Enterprise Architecture within the Agency.
- 4. Table 1, Summary of Agency-Approved Proposed IT Projects** – Enter the following information on Table 1:
- **Department Organization Code and Acronym** – Provide the organization code and the acronym of the department responsible for each proposed IT project.
 - **Agency-Approved Proposed IT Project** – List the name of each proposed IT project approved by the Agency. This should correspond to the proposed project's name in the constituent-department's response to question 4.1.
 - **Agency Priority Ranking** – List the Agency's priority for each proposed IT project approved by the Agency.
- Note:** The top priority proposed IT project will be identified as priority ranking 1, with the next highest item ranked as priority 2, and so on. **Each IT project proposal must have its own priority ranking number; different proposals may not share the same priority number.**
- **FSR Submission Date** – Provide the month and year when the Feasibility Study Report (FSR) for the proposed IT project is planned to be delivered to the OCIO. This should correspond to the constituent-department's response to question 4.8.
 - **Estimated Total Cost** – Provide the estimated cost through implementation of each proposed IT project approved by the Agency. This should correspond to the constituent-department's response to question 4.15.

b) Department IT Capital Plan

Executive Approval Transmittal – Enter the Department Name and complete the signature block information for the Department's Chief Information Officer, Information Security Officer, Budget Officer, and Department Director in the appropriate areas of the transmittal. The transmittal must be signed prior to submission to the OCIO and Finance.

IT Capital Plan Questionnaire, Department Name and Organization Code – Provide the name of the Department and its Organization Code. The Plan Year field has been pre-filled with the five-year period of the IT Capital Plan.

1. **Business Goals and Objectives** – Provide a brief overview of the department's business goals and objectives as documented in the department's strategic plan.
2. **IT Infrastructure Upgrade or Replacement**
 - 2.1. **Hardware** – Provide a brief summary of the department's plans to upgrade or replace hardware infrastructure in the next five years, including the fiscal year that these activities are planned to occur. Identify the specific hardware to be upgraded or replaced.
 - 2.2. **Software** – Provide a brief summary of the department's plans to upgrade or replace software infrastructure in the next five years, including the fiscal year that these activities are planned to occur. Identify the specific software to be upgraded or replaced.
 - 2.3. **Network** – Provide a brief summary of the department's plans to upgrade or replace network infrastructure in the next five years, including the fiscal year that these activities are planned to occur. Identify the specific network component to be upgraded or replaced.
3. **Table 1, Existing Approved Reportable IT Projects** – For each approved reportable IT project that has not been implemented, enter the following information in Table 1:
 - **Existing IT Project** – List the name of each existing IT project. Each project listed must meet the definition of a reportable project as defined in SAM Section 4819.37.
 - **Approved Project Cost** – List the total approved cost of each reportable IT project, as documented in the last project approval letter issued by the OCIO or Finance.

Note: If a Special Project Report (SPR) was submitted for review in July 2008 that includes project costs that differ from the last approved project document, enter both the last approved project cost and the revised project cost from the SPR under review.
 - **Project Number** – List the number of each reportable IT project, as documented in the project approval letter issued by the OCIO or Finance.
 - **Implementation Date** – List the implementation date of each reportable IT project, as documented in the last project approval letter issued by the OCIO or Finance.

4. Table 2, Proposed IT Project Summary – Create a summary of the proposed IT projects by entering the following information in Table 2:

- **Proposed IT Project** – Enter the response to question 4.1 below, the name of each proposed IT project.
- **Priority Ranking** – Enter the response to question 4.1 below, the priority number of each proposed IT project.
- **The FSR Submission Date** – Enter the response to question 4.8 below, the month and year when the FSR is planned to be delivered to the OCIO.
- **Estimated Total Cost** – Enter the response to question 4.15 below. Provide the estimated cost through implementation of each proposed IT project.

Complete questions 4.1 through 4.15 for each proposed IT project that meets the definition of a reportable project as defined in the State Administrative Manual Section 4819.37:

4.1. Proposal Name and Priority Ranking – Provide the name of the proposed IT project; also provide the priority ranking number of the proposed IT project.

Note: The top priority IT project will be identified as priority ranking 1, with the next highest item ranked as priority 2, and so on. **Each proposed IT project must have its own priority ranking number; different proposals may not share the same priority number.**

4.2. Description of the Proposed IT Project – Provide a brief overview of the proposed IT project. Include information on the business program that is the subject of the proposal and its current business processes. Include a brief description of the current technical environment.

4.3. Department's Business Goals and Objectives – Identify which of the department's business goals and objectives the proposed IT project is expected to support. The likeliest source for these business goals and objectives will be the department's strategic plan, or a similar document. Describe the manner in which the proposed IT project will support the department's business goals, objectives and services efficiency.

4.4. Expected Business Outcomes or Benefits – Identify the business outcomes that will result from the implementation of the proposed IT project. Identify how these outcomes relate to the organization's business goals and objectives. Describe how the expected outcomes will be measured and explain how the organization's business or programs will benefit from the proposed IT project.

4.5. The State's IT Strategic Plan – Determine which of the six guiding principles that the implementation of the proposed IT project will accomplish and check the corresponding box(es).

4.6. Enterprise Architecture Consistency – Check the Yes box if the proposed IT project is consistent with the organization's Enterprise Architecture; check the No box if the proposed IT project is not consistent with the organization's Enterprise Architecture. If No is checked, explain why the deviation from the organization's Enterprise Architecture is necessary.

4.7. Confidential or Sensitive Information – Check the Yes box if the proposed IT project will collect, store, transmit, or exchange confidential or sensitive

information, as defined in SAM Section 5320.5. Check the No box if the proposed IT project will not collect, store, transmit, or exchange confidential or sensitive information.

- 4.8. Estimated FSR Submittal Date** – Identify the month and year when the FSR is planned to be delivered to the OCIO.
- 4.9. Estimated Project Start Date** – Provide the month and year when the proposed IT project activities will begin after the project document is approved.
- 4.10 Project Duration** – Identify how long it will take to complete the proposed IT project, from start to the completion of implementation activities.
- 4.11. Existing Infrastructure** – Check the Yes box if the proposed IT project will utilize the organization's existing IT infrastructure. Check the No box if the proposed IT project will not utilize the organization's existing IT infrastructure. If No is checked, explain what kind of changes will be needed to the existing infrastructure.

IT infrastructure is defined as all of the Information Technology assets (hardware, software, components, systems) that are needed to deliver IT services to customers.

- 4.12. Related to Another Proposal or Existing Project** – Check the Yes box if the proposed IT project relates to another IT project proposal or to an existing project. Check the No box if the proposed IT project is not related to another IT project proposal or to an existing project.

If yes – If the Yes box is checked, provide information on the IT project proposal or existing IT project related to this proposal. Explain the relationship between these other efforts and this proposal.

- 4.13. Consequences** – Identify any result(s) that may arise from not implementing the proposed IT project.
- 4.14. Funding Strategy** – If the proposed IT project will require an augmentation, check the Augmentation needed box. If the proposed IT project will be funded through the redirection of existing department or agency funds, check the Redirection of existing funds box. If the proposed IT project will be funded through other means, such as a grant, check the Other funds box.
- 4.15. Estimated Cost and Funding Source(s)** – Identify the estimated total cost of the proposed IT project from planning through the completion of implementation activities for each state fiscal year through the duration of the proposed IT project effort. Identify the estimated funding by type (General Fund, Federal Fund, or Special Fund) for each year of the proposed IT project effort. For Special Funds, identify the fund source and if the department is the sole user of the fund.

5. Appendices A through D

The information collected in Appendices A through D will be used to supplement other planning activities in the areas of Enterprise Architecture, Information Security, Workforce Development, Workforce Planning, Succession Planning, Portfolio Management, Project Management, and IT Governance.

Appendix A, Enterprise Architecture

The [California Enterprise Architecture Framework](#) (CEAF) defines Enterprise Architecture as “a strategic information asset base which defines the business, the information necessary to operate the business, the technologies necessary to support the business operations, and the transitional processes necessary for implementing new technologies in response to the changing business needs.” The purpose of maintaining an Enterprise Architecture is to enable information technology decisions that are driven by the business needs of the enterprise in the delivery of services. Enterprise architecture improves business-technology alignment, statewide service delivery, security, statewide data sharing, and enterprise-wide integration. Also, enterprise architecture lowers costs and more effectively uses state resources.

The OCIO recommends using the CEAF as a framework to document the EA and develop each of the following four CEAF reference models:

- **Business Reference Model (BRM)** – A function-driven framework for describing the business operations of the state government independent of the agencies that performs them. The Business Reference Model provides an organized, hierarchical construct for describing the day-to-day business operations.
- **Service Component Reference Model (SRM)** – A business-driven, functional framework that classifies Service Components with respect to how they support business and/or performance objectives. The SRM is structured across horizontal service areas that, independent of the business functions, can provide a leverageable foundation for reuse of applications, application capabilities, components, and business services.
- **Technical Reference Model (TRM)** – A framework used to identify and organize the standards, specifications, and technologies that support and enable the delivery of the state’s business services and capabilities.
- **Data Reference Model (DRM)** – Describes the data and information that support the state’s business operations from a statewide perspective.

The following questions relate to the level of enterprise architecture currently implemented in your organization:

- A.1 Documented EA Principles, Strategies, or Standards** – Check the Yes box if the organization possesses documented Enterprise Architecture principles. The likeliest source for these principles will be the department's Enterprise Architecture plan, or a similar document. Check the No box if the organization does not possess documented Enterprise Architecture principles.

- A.2. EA Completion Status** – Place a check mark in the appropriate column in Table A-1 – Enterprise Architecture Completion Status to indicate the current completion status of each of the organization's Enterprise Architecture Reference Models (Business, Services, Technical, and Data) as described above.

Note: If available, please submit a copy of your Enterprise Architecture document.

- A.3. EA Approval Governance Structure** – Provide a brief description of the governance structure used to review, approve, and modify the organization's Enterprise Architecture. Identify the positions or groups involved in this process, and provide information on the frequency of governance activities. If no formal Enterprise Architecture governance process is in place, provide information on current processes for reviewing, approving and modifying the organization's IT strategy.
- A.4. Enterprise Architect** – Check the Yes box if the organization employs a designated Enterprise Architect. Check the No box if the organization does not employ a designated Enterprise Architect.

If the Yes box is checked, provide the name of the Enterprise Architect, the person's classification, telephone number and e-mail address in the space provided. If the No box is checked, describe the department's efforts to hire an Enterprise Architect.

Appendix B, Information Security

The following questions relate to Information Security efforts within your organization.

- B.1. Information Security Officer Involvement** – Provide a brief overview of the role of the organization's Information Security Officer in reviewing, providing input and approving proposed IT projects.
- B.2. Core Business Principles, Policies and Standards Regarding Information Integrity, Confidentiality, and Availability and the Protection of Information Assets** – Provide a brief description of the department's policies, standards and core business principles regarding information assets, and maintaining the integrity, confidentiality, availability, and protection of those assets.
- B.3. Data Sharing** – For departments that share data with external entities, check the Yes box if the department has executed data exchange agreements with these entities. Check the No box if the department has not executed data exchange agreements with external entities. Check the Not applicable box if the department does not share data with external entities.

If Yes – Provide a brief description of the department's policies, standards and core business principles regarding information assets, and maintaining the integrity, confidentiality and protection of those assets.

If No – Provide information on the rationale for not utilizing data exchange agreements with external entities.

B.4. Best Practices for Web, Application, and System Development –

Describe the processes and procedures used by the department to ensure that developers and programmers follow development standards and best practices.

B.5. Information Security Officer – Check the Yes box if the organization employs a designated Information Security Officer. Check the No box if the organization does not employ a designated Information Security Officer.

If the Yes box is checked, provide the name of the Information Security Officer, the person's classification, telephone number and e-mail address in the space provided. If the No box is checked, describe the department's efforts to hire an Information Security Officer.

Appendix C. Workforce Development, Workforce Planning, and Succession Planning

The following questions relate to Workforce Development, Workforce Planning, and Succession Planning. In responding to these questions, Workforce Development and Planning are efforts associated with Rank and File staff while Succession Planning is associated with department managers.

C.1. Workforce Development Plan for IT Staff – Check the Yes box if the organization possesses a workforce development plan for IT staff. Check the No box if the organization does not possess a workforce development plan for IT staff.

If Yes – Provide a brief overview of the workforce development plan.

C.2. Workforce Development Tools – Determine which of the seven workforce development tools the organization is currently using and check the corresponding box(es). If the Other box is checked, list the corresponding tool(s).

C.3. Workforce Planning (Rank and File) – Check the Yes box if the organization possesses a workforce plan for rank and file IT staff. Check the No box if the organization does not possess a workforce plan for rank and file IT staff.

If Yes – Provide a brief overview of the workforce plan.

C.4. Succession Planning (Management) – Check the Yes box if the organization possesses a succession plan for executive and management IT staff. Check the No box if the organization does not possess a workforce plan for executive and management IT staff.

If Yes – Provide a brief overview of the succession plan.

C.5. Table C-1, IT Staffing – Enter the following information in Table C-1:

- **IT Rank and File Staff Classification** – Provide the IT rank and file staff classifications in the organization.
- **Number of IT Rank and File Staff in Classification** – Provide the total number of IT rank and file staff in each classification currently employed in the organization.
- **Number of IT Rank and File Staff in Classification Eligible to Retire in Next 5 Years** – Provide the number of IT rank and file staff in each classification in the organization (if any) who will be eligible for retirement from state service within the next five years. For purposes of responding to this question, eligibility for retirement is 55 years of age or older.
- **IT Management Staff Classification** – Provide the IT management staff classifications in the organization.
- **Number of IT Management Staff in Classification** – Provide the total number of IT management staff in each classification currently employed in the organization.
- **Number of IT Management Staff in Classification Eligible to Retire in Next 5 Years** – Provide the number of IT management staff in each classification in the organization (if any) who will be eligible for retirement from state service within the next five years. For purposes of responding to this question, eligibility for retirement is 55 years of age or older.

Please note that the OCIO recommends that departments request retirement eligibility information from the department's Human Resources office in order to protect employee privacy and confidentiality.

Appendix D, Portfolio Management, Project Management, and IT Governance

- D.1. Improving Alignment of Business and Technology** – Check the Yes box if the organization possesses a process for improving the alignment of business and technology. Check the No box if the organization does not possess a process for improving the alignment of business and technology.
- If Yes** – Provide a brief overview of the process for improving the alignment of business and technology.
- D.2. Portfolio Management Methodology Status** – Check the box that best corresponds to the status of the organization's implementation of a formal portfolio management methodology for technology projects. Provide a brief description of any implemented portfolio management process, or any portfolio management process implementation in process.
- D.3. Portfolio Management Automated Tools** – Provide a listing of automated tools currently being used by the organization for portfolio management.

Enter "None" if the organization does not currently use automated tools for portfolio management.

D.4. Project Management Standard Methodology – Check the box that best corresponds to the status of the organization's implementation of a standard project management methodology for technology projects. Provide a brief description of any implemented project management methodology, or any portfolio management methodology implementation in process.

D.5. Project Manager Certification – Check the Yes box if the organization requires its project managers to be certified through either a professional organization and/or through completion of specified project management coursework. If the Yes box is checked, check the box that corresponds to the type of project management certification required by the organization.

Check the No box if the organization does not require its project managers to be certified through either a professional organization and/or through completion of specified project management coursework.

D.6. Project Manager Training – Check the box that corresponds to the areas of training the organization requires of its project managers. Check the None box if the organization does not requires other areas of training for project managers.

D.7. Project Governance, Change Management, Issue Resolution, and Problem Escalation – Provide a brief overview of the organization's project-level governance practices, including change management, issue resolution, and problem escalation.

D.8. Project Management Lessons-Learned – Check the Yes box if the project management methodology includes processes for documenting project learnings and applying these to future projects. If Yes, provide a brief description of the process for documenting project learnings and applying these to future projects. Check the No box if the project management methodology does not include processes for documenting project learnings and applying these to future projects.